

## Message Text

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PAGE 01 MADRID 06460 082004Z  
ACTION EUR-12

INFO OCT-01 ISO-00 EB-08 H-01 STR-07 FAA-00 DOTE-00  
COME-00 /029 W  
-----120088 091539Z /72  
R 081717Z JUN 78  
FM AMEMBASSY MADRID  
TO SECSTATE WASHDC 4861

LIMITED OFFICIAL USE MADRID 06460

E.O. 1162: N/A  
TAGS: EAAR, SP  
SUBJECT: CONGRESSMAN VANIK'S INTEREST IN AIRBUS SALES

REF: STATE 141766

1. SPAIN'S PARTICIPATION IN AIRBUS CONSTRUCTION, THROUGH FIRM CONSTRUCCIONES AERONAUTICAS SA (CASA), AMOUNTS TO ABOUT TWO TO FOUR PER CENT BY VALUE. ACCORDING TO DUN AND BRADSTREET REPORT DATED FEBRUARY 1977 CASA HAD BUILT AT THAT TIME, 14 HORIZONTAL STABILIZERS, 15 SETS OF DOOR FIXTURES AND 14 LANDING GEARS FOR AIRBUS. EMBASSY UNDERSTANDS THAT PREVIOUS RATE OF TWO STABILIZERS PER MONTH HAS BEEN REDUCED RECENTLY TO ONE PER MONTH DUE TO LOW RATE OF PROJECTED SALES.

2. CASA IS OWNED BY SPANISH GOVERNMENT THROUGH 66 PER CENT HOLDING OF GOVERNMENT'S INSTITUTO NACIONAL DE INDUSTRIA (INI). ANOTHER 21 PER CENT IS OWNED BY U.S. NORTHROP CORPORATION AND BALANCE (13 PER CENT) IS SPLIT AMONG SEVERAL STOCKHOLDERS INCLUDING WEST GERMAN MESSERSMITT BOKOW-BLOHN (2.25 PER CENT) AND FRENCH DASSAULT (0.6 PER CENT).

3. EMBOFF TALKED TO OFFICIAL IN CASA CONTROLLER'S OFFICE  
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ON JUNE 7 WHO SAID THAT AIRBUS CONSTRUCTION AT CASA DID NOT RECEIVE ANY DIRECT SUBSIDIES FROM SPANISH GOVERNMENT. IT WOULD, HOWEVER, BE VERY DIFFICULT TO DETERMINE EXTENT OF INDIRECT SUBSIDIES SINCE INI BUDGET COVERS ANY OVERALL DEFICITS OF FIRM. IN VIEW OF RELATIVELY MINOR ROLE PLAYED BY SPANISH INDUSTRY IN AIRBUS CONSTRUCTION IT WOULD NOT APPEAR TO BE OF MAJOR IMPORTANCE IN OVERALL

CONGRESSIONAL EVALUATION OF EXTENT OF GOVERNMENT SUBSIDIES. EATON

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SALES, COMMERCIAL AIRCRAFT, SUPPLEMENTAL AIRLINES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 08 jun 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978MADRID06460  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780241-1091  
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**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
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**Reference:** 78 STATE 141766  
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**Subject:** CONGRESSSAN VANIK'S INTEREST IN AIRBUS SALES  
**TAGS:** EAIR, SP  
**To:** STATE  
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**Review Markings:**  
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